

WORLD NEWSPRINT
SUPPLY-DEMAND
OUTLOOK THROUGH 1968

REPORT

OF THE

COMMITTEE ON INTERSTATE AND
FOREIGN COMMERCE

Pursuant to Section 136 of the Legislative Reorganization
Act of 1946, Public Law 601, 79th Congress, and House
Resolution 35, 89th Congress



SUBMITTED BY MR. MACDONALD

OCTOBER 6, 1966.—Committed to the Committee of the Whole House
on the State of the Union and ordered to be printed

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89TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
2d Session } { No. 2196

WORLD NEWSPRINT SUPPLY-DEMAND OUTLOOK THROUGH 1968

OCTOBER 6, 1966.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. MACDONALD, from the Committee on Interstate and Foreign Commerce, submitted the following

R E P O R T

The Committee on Interstate and Foreign Commerce, by House Resolution 35, acting as a whole or by subcommittee, was authorized to investigate and study the current and prospective consumption of newsprint and other papers, the current and prospective production and supply, factors affecting such production and supply, and possibilities of additional production through the use of alternate source materials.

Such authorization continues that made to the committee since the 78th Congress.

Your committee, and its Subcommittee on Commerce and Finance, continues active in developing both the near-term and long-range, supply-demand aspects of newsprint. In order that a better appreciation might be had of the longer range prospective supply and demand for newsprint, the subcommittee requested the Department of Commerce to prepare a comprehensive survey of the competitive demand for woodpulp arising from all users in the woodpulp, paper, and board field. The survey was completed and printed as House Report 573, June 17, 1957, 85th Congress.

At the request of the subcommittee, the Commerce Department has prepared annual reports on the world newsprint situation. These reports were submitted by this committee to the House:

Newsprint Outlook, 1958, June 10, 1958, House Report 1868, 85th Congress.

Newsprint Outlook, 1959, July 15, 1959, House Report 671, 86th Congress.

Newsprint Outlook Through 1961, May 27, 1960, House Report 1669, 86th Congress.

Newsprint Outlook Through 1963, August 17, 1961, House Report 854, 87th Congress.

Newsprint Outlook Through 1964, August 27, 1962, House Report 2273, 87th Congress.

In view of the relationship of newsprint to the entire pulp, paper, and board field, the subcommittee requested the Department to revise and bring up to date the 1957 comprehensive study of pulp, paper, and board supply-demand. This new survey was completed by the Department of Commerce and submitted by this committee to the House:

Pulp, Paper, and Board Supply-Demand (Supply Estimates to 1965; Demand Projections to 1965 and 1970), August 21, 1963, House Report, 693, 88th Congress.

Supplementing this comprehensive study on all major grades of pulp, paper, and board, the Department has completed updated reports on the newsprint situation which have been submitted by this committee to the House:

World Newsprint Supply-Demand—Outlook Through 1965, October 28, 1963, House Report 871, 88th Congress.

World Newsprint Supply-Demand—Outlook Through 1966, September 24, 1964, House Report 1899, 88th Congress.

World Newsprint Supply-Demand—Outlook Through 1967, October 20, 1965, House Report 1181, 89th Congress.

This further supplemental report, carrying the newspaper outlook through 1968, is being submitted herewith for the information of the Members of the House and of the general public. While the present newsprint supply situation appears comfortable, your committee will continue its attention to this subject so as to keep abreast of any changes in the outlook.

LETTER OF TRANSMITTAL

THE SECRETARY OF COMMERCE,
Washington, D.C., September 20, 1966:

HON. TORBERT H. MACDONALD,
*Chairman, Subcommittee on Commerce and Finance, Committee on
Interstate and Foreign Commerce, House of Representatives,
Washington, D.C.*

DEAR MR. CHAIRMAN: In response to your request of April 8, 1966, made on behalf of your committee, the Business and Defense Services Administration has compiled this year's survey covering world newsprint supply-demand.

I am pleased, therefore, to enclose the 10th in the series of studies prepared by BDSA entitled "World Newsprint Supply-Demand Outlook Through 1968."

Sincerely yours,

JOHN T. CONNOR,
Secretary of Commerce.

LETTER OF TRANSMITTAL

The Secretary of Commerce,
Washington, D.C., September 1907.
Honorable J. H. McMillan,
Secretary of the Interior,
Washington, D.C.
Dear Sir: In response to your request of April 2,
1907, in relation to the Bureau of Land Management,
I am pleased to submit to you the report of the
Bureau of Land Management for the year ending
June 30, 1907. The report is in the form of a
booklet, and is published in the series of
Publications of the Bureau of Land Management,
No. 1, 1907.

Very truly yours,
John T. Connor,
Secretary of Commerce.

WORLD NEWSPRINT
SUPPLY-DEMAND
OUTLOOK THROUGH 1968

U.S. DEPARTMENT OF COMMERCE
JOHN T. CONNOR, *Secretary*
BUSINESS AND DEFENSE SERVICES
ADMINISTRATION

FORREST D. HOCKERSMITH
Acting Administrator

1966

WORLD THWARTING
SUPPLY DEMAND
OFFER THROUGH 1968

THE DEPARTMENT OF COMMERCE
JOHN F. CONNOR, JR., Director
BUSINESS AND ECONOMIC RESEARCH
ADMINISTRATION

FOR THE DEPARTMENT OF COMMERCE
WASHINGTON, D. C.

1-68

FOREWORD

In accordance with the request of the Subcommittee on Commerce and Finance, House Committee on Interstate and Foreign Commerce, the Business and Defense Services Administration is pleased to provide the 10th consecutive report on world newsprint demand, production, capacity, imports, and exports.

By 1968 world newsprint demand is expected to exceed 21.6 million tons, an annual average increase for the years 1966 through 1968 of 5.2 percent. World newsprint production capacity is projected to expand at a more rapid rate from 21.2 million tons in 1965 to about 24.7 million tons in 1968, or about 5.5 percent annually. The 1968 demand to capacity ratio will be 87.7 percent versus 88.2 percent in 1965. The gap between demand and capacity narrowed in the past several years but the trend is changing. The cyclic nature of growth in the paper industry is being evidenced as increasing demand triggers a surge in new production capacity. With additional 1966-68 newsprint capacity firmly committed in the United States, Canada, and other major newsprint-producing countries of the world, and further capacity expansion already being considered for the period 1969-71, a long-term, ample world supply is indicated. The projected surplus of world capacity over demand suggests an increase from 2.5 million tons in 1965 to 3.0 million tons in 1968.

It is a pleasure to provide the subcommittee with this annual analysis.

FORREST D. HOCKERSMITH,
Acting Administrator.

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WORLD NEWSPRINT SUPPLY-DEMAND—OUTLOOK THROUGH 1968

SUMMARY

An unexpected surge in world pulp and paper capacity growth in 1966, and continuing through 1967-68, has affected newsprint capacity predictions made in last year's newsprint supply-demand outlook report. World newsprint capacity, rather than expanding at a somewhat slower rate than demand, will be stepped up from the predicted annual rate of increase of 800,000 tons¹ to about 1,144,000 tons annually through 1968. In spite of the predicted and actually materializing increase in world demand, the excess of newsprint capacity over demand will grow. By 1968, the demand-capacity ratio is expected to have moved downward to 87.7 percent. The 1965-68 demand-capacity ratios, revised, are:

Year	Demand	Capacity	Ratio, demand to capacity
	<i>Short tons</i>	<i>Short tons</i>	<i>Percentage</i>
1965	18,728,000	21,243,000	88.2
1966	19,803,000	22,186,000	89.3
1967	20,678,000	23,314,000	88.7
1968	21,644,000	24,675,000	87.7

Estimates of demand to capacity ratios made in 1965, prior to the announcement of much of the proposed new world capacity, indicated a narrowing of the gap between supply and demand which would require new capacity to avert future shortages. The 1965 newsprint survey estimated that world demand-capacity ratio for 1967 would be 91.7 percent. The revised estimate reflects the proposed new world newsprint capacity expansion resulting in a drop in the 1967 demand-capacity ratio to 88.7 percent, and indicating an adequate margin of potential supply over demand.

The major capacity growth is taking place and will continue in Canada, the United States, and the U.S.S.R. These countries, accounting for 81.8 percent or 2,806,000 tons of new newsprint capacity estimated for 1966-68, have announced plans for further expansion during 1969-71.

New newsprint capacity, 1966-68

[In thousands]

	Short tons	Percent
World.....	3,432	100.0
United States.....	922	26.9
Canada.....	1,110	32.3
U.S.S.R.....	774	22.6
Total.....	2,806	81.8

¹ All tonnage figures in this report are in short tons of 2,000 pounds.

Realization of planned new capacity is always uncertain. Even though announced expansion plans sometimes do not materialize, indications are strong that most of the North American capacity will come on stream close to target schedules. However, U.S.S.R. performance in completing mills and bringing machines into full, planned production has fallen below predictions in the past and ambitious plans for the new capacity reflected in this survey may again fall short. In addition, the U.S.S.R. data, which must be derived from several sources, are subject to revision if official figures are eventually released by that Government.

Capacity figures in the above table do not fully take into consideration the fact that most mills are capable of shifting to newsprint production from other grades or vice versa should market or cost situations warrant. Thus, there is a possibility of a slight upward adjustment of world newsprint capacity.

Canadian capacity figures for 1966-68 are somewhat tentative. The Quebec government, on May 1, 1966, authorized Sunday production work. Companies operating at 90 percent of 6-day capacity may now operate on Sundays. Some firms had already begun operating their newsprint mills on a 7-day-week basis under temporary permits. A potential 11-percent capacity increase exists for the affected mills.

World newsprint consumption continued to climb, but at a slower rate. A new consumption record of 18,728,000 tons was reached in 1965, an increase of 4.6 percent over the 17,911,000 tons consumed in 1964, when the year-to-year gain over 1963 was 7.5 percent. The 1964 rate of increase was unusually high, and 1965 performance is closer to the long-term trend. A consumption gain of 15 percent is foreseen for the 1966-68 period, or 5 percent per year. Population increase and a relatively stable world economy are factors which should carry along this steady newsprint consumption growth.

In addition to the major capacity increases anticipated in Canada, United States, and the Soviet Union, substantial gains are also expected in northern Europe and Japan. The United States will continue as the world's leading newsprint-consuming nation, and an increase from 8,359,000 tons in 1965 to 9,700,000 tons in 1968 is projected. This continues to be about 45 percent of world demand.

UNITED STATES

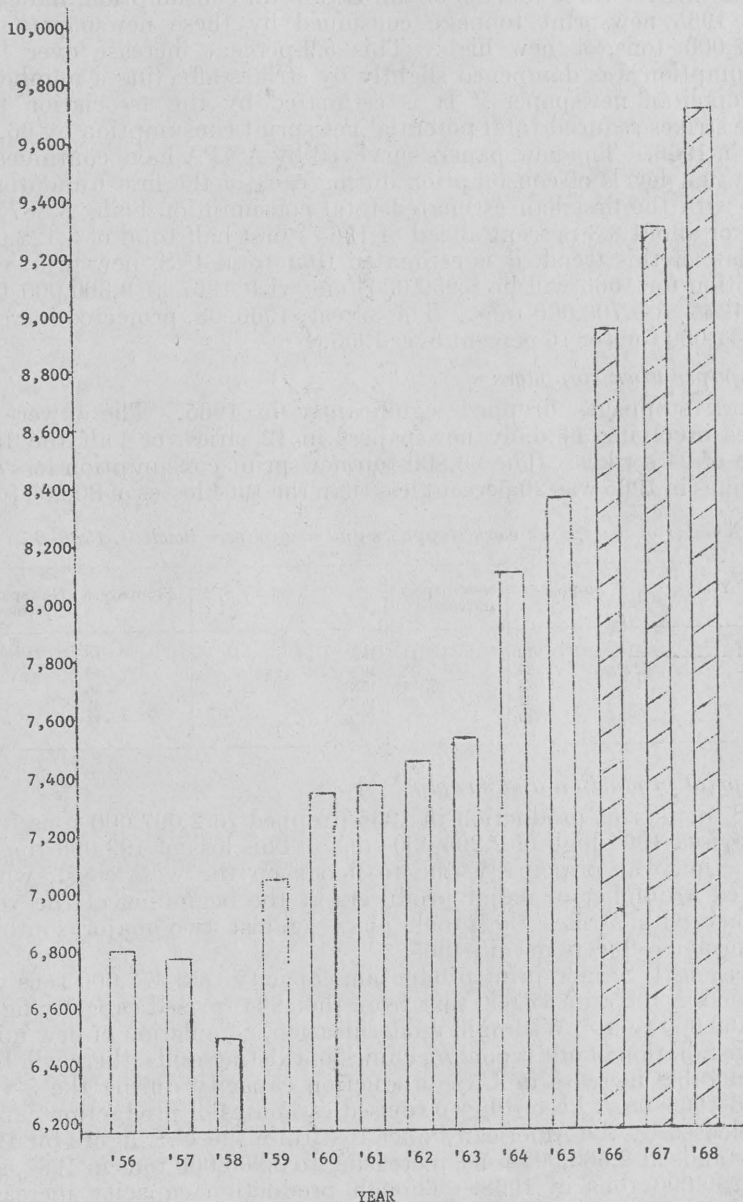
Consumption

A record 8,359,000 tons of newsprint were consumed in the United States in 1965, according to preliminary U.S. Bureau of the Census figures on apparent newsprint consumption. This is an increase of 267,000 tons over the revised 1964 figure of 8,092,000 tons, and is less than 1 percent under the figure of 8,410,000 tons anticipated for 1965 consumption. The following chart shows U.S. newsprint consumption for 1956-65 and estimated consumption for 1966-68.



NEWSPRINT: U.S. APPARENT CONSUMPTION, 1956-68

(Thousand short tons)



Source: 1956-65 Bureau of the Census, 1966-68 BDSA Estimate.

The American Newspaper Publishers Association (ANPA) annual survey, using 525 member U.S. newspapers as a statistical base and accounting for three-fourths of the U.S. total consumption, indicated that 1965 newsprint tonnage consumed by these newspapers was 6,387,000 tons, a new high. This 5.9-percent increase over 1964 consumption was dampened slightly by strikes affecting a number of metropolitan newspapers. It is estimated by the association that these strikes reduced total potential newsprint consumption by 66,800 tons in 1965. The newspapers surveyed by ANPA have continued to reach new levels of consumption during each of the first 6 months of 1966 with the first half estimated total consumption being 3,387,000 tons, or about 8.3 percent ahead of 1965's first half total of 3,128,000. In view of this trend, it is estimated that total U.S. newsprint consumption for 1966 will be 8,950,000 tons with 1967 at 9,300,000 tons and 1968 at 9,700,000 tons. The 3-year, 1966-68, projected increase is 1,341,000 tons or 16 percent over 1965.

Newspaper work stoppages

Work stoppages dropped significantly in 1965. There were 12 strikes involving 14 daily newspapers in 12 cities, or half the 1964 figure of 24 strikes. The 66,800-ton newsprint consumption loss due to strikes in 1965 was 20 percent less than the 1964 losses of 80,000 tons.

Number of newspaper work stoppages and newspapers involved, 1956-65

Year	Stoppages	Newspapers involved	Year	Stoppages	Newspapers involved
1965 -----	12	14	1960 -----	10	12
1964 -----	24	23	1959 -----	40	42
1963 -----	25	24	1958 -----	38	44
1962 -----	27	26	1957 -----	31	48
1961 -----	10	8	1956 -----	14	23

Newsprint production and supply

U.S. newsprint production in 1965 dropped to 2,097,000 tons from the revised 1964 high of 2,296,000 tons. This loss of 199,000 tons of production was principally due to floods on the west coast, which affected a number of major producers at the beginning of the year, together with strikes that took place against two major southern newsprint producers in mid-1965.

A rise in U.S. newsprint production capacity to 2,377,000 tons was recorded in 1965, up 17,000 tons from the 1964 revised capacity figure of 2,360,000 tons. With mill modernization, completion of new mills, and installation of additional machines in existing mills, there will be a considerable increase in U.S. production capacity during the 3-year period 1966-68. According to revised estimates of production capacity released by the American Paper Institute, the U.S. figure for 1966 now stands at 2,563,000 tons, increasing to 2,900,000 tons in 1967, and to 3,299,000 tons in 1968. Though production capacity increased slightly in 1965, there was a decline in domestic newsprint production, and the U.S. production-to-capacity ratio fell from 97.3 percent in 1964 to 88.2 percent in 1965.

There was a drop in the U.S. producer's share of total 1965 domestic consumption, which fell from 28 percent in 1964 to 26 percent in 1965. A decline in U.S. exports of newsprint was also recorded in 1965 with tonnage shipped falling from 118,000 tons in 1964 to 84,000 tons in 1965, a 40-percent decline.

Imports of newsprint reached a new peak in 1965 with 6,323,000 tons of newsprint entering the United States; 6,068,000 tons, about 96 percent, came from Canada. Imports in 1965 were 369,200 tons higher than 1964 and up 910,000 tons over 1963.

Newsprint price changes

In early 1966 the first newsprint price increase since 1957 swept across the country beginning with a \$10-per-ton increase by producers located in and supplying newsprint to customers in Western North America. This increase restored a \$10-per-ton price reduction established in November 1964, bringing the base price in the West up again to \$135 per ton. Immediately following this upward price adjustment, some producers in eastern North America announced their intention to increase their per-ton price \$10. During March 1966, additional eastern producers announced increases ranging from \$5 to \$10 per ton. These price increases met with considerable protest from the newspaper industry along with detailed comment in the public and trade press. By the end of the month producers in eastern North America had reexamined their position and settled on a \$5 per ton increase which was generally effective June 1, 1966. The final outcome of the price increase activity therefore settled down to a \$10 per ton increase in western North America resulting in a current base price of \$135 per ton; and a \$5 per ton increase in eastern North America, with a new base price of \$140 per ton. These prices are delivered base zone prices with the port price \$1 less per ton in each case.

Newspaper circulation

The primary source of a newspaper's total income, about 71 percent, is from the sale of advertising, and circulation or readership of a newspaper is of major importance to the advertiser. For this reason, a prime objective in a newspaper's operation is to obtain the largest circulation possible and to thus promote advertising.

The 1966 edition of N. W. Ayer & Sons "Directory of Newspapers & Periodicals" indicates that a new high of 60,410,000 was reached in the total daily average circulation of daily newspapers in 1965. This is a 208,600 rise over 1964's total circulation of 60,202,000. Sunday newspaper circulation also went up in 1965, climbing to 48,351,000 from the previous year's mark of 48,284,000.

The number of new daily newspapers commencing publication in 1965 was exceeded by those dropping daily publication. ANPA reports that 16 new dailies started publication while 18 dailies suspended during the year. Of these 18 suspensions, 3 newspapers went from daily to weekly or semiweekly publication, 4 merged with another newspaper, and 11 dailies went out of business in 1965. According to industry sources there were 1,751 daily newspapers and 562 Sunday newspapers as of January 1, 1966. The following tables shows the number of daily and Sunday newspapers reported by the U.S. Bureau

of the Census, Census of Manufactures for the four most recent census years:

Number of daily and Sunday newspapers

Year	Daily	Sunday
1963	1,766	560
1958	1,778	552
1954	1,820	510
1947	1,854	416

According to the National Newspaper Association (NNA), the number of weeklies, semi- and tri-weeklies fell slightly from 8,061 in 1964 to 8,003 at the end of 1965, a loss of 58. Part of this loss can be attributed, as in the previous year, to mergers and to some weeklies switching to daily operations. Again, a substantial rise of more than 1 million in circulation was recorded in 1965, reaching a total of 26,088,230. Thus, circulation was up 4.2 percent from 1964 and 50 percent over 1955. (These figures include only newspapers of weekly, semi- and tri-weekly frequency which meet the qualifications of second-class postal entry with at least 25 percent news content. Excluded are shopping news and papers having no paid circulation.) Data for past years are shown in the following table:

Number and circulation of weekly newspapers

Year	Number	Circulation
1965	8,003	26,088,000
1964	8,061	25,036,000
1963	8,151	23,976,000
1962	8,158	23,434,000
1961	8,153	21,328,000

Newspaper advertising

Final estimates by Printer's Ink (P.I.) magazine reveal that total U.S. advertising expenditures in 1965 soared above the \$15 billion mark for the first time in the Nation's history. The \$15.3 billion total was 7.8 percent above the 1964 figure and 16.4 percent higher than 1963. Advertising in newspapers once again led all other media, with a record-setting \$4.6 billion, or 29.3 percent of total advertising expenditures. This was 7.4 percent above 1964. At midyear, preliminary estimates by P.I. indicate that total U.S. advertising volume for 1966 will reach \$16.3 billion.

The principal source of newspaper advertising revenue has always been local, as opposed to national, advertising. In 1965 local advertisers placed \$3.6 billion in newspapers, a rise of \$287 million over 1964.

Increased use of television by national advertisers has diminished newspapers' share of the annual expenditures of those advertisers, but this decline appears to be leveling out. There was a 2.5-percent rise in national advertising in newspapers in 1965, pushing such expenditures to \$870 million. A downward trend in newspapers' share of total advertising expenditures also appears to have bottomed out when it reached a low of 29.0 percent in 1963, but rose to 29.3 percent in 1964, and maintained this percentage in 1965. Television's share of total dollar volume has continued to increase each year with the

exception of 1961. In 1965 television captured 16.5 percent of all advertising expenditures, with receipts of \$2.5 billion.

Media Records, Inc., measures total advertising lineage in newspapers in 52 representative cities; its 1965 lineage data reveals a 6.4-percent increase over 1964, with total lineage passing the 3 billion mark. The first 6 months of 1966 indicate total lineage will rise to more than 1,634 billion lines, an increase of 7.6 percent over the first half of 1965.

The following table shows total monthly lineage figures for the 52 cities:

Newspaper advertising lineage, 1964-66

[Millions of lines]

Month	1966	1965	1964	Percent change	
				1966 over 1965	1965 over 1964
January.....	240.0	223.8	210.6	+7.2	+6.3
February.....	231.0	214.5	210.4	+7.7	+1.9
March.....	282.3	256.3	248.0	+10.1	+3.3
April.....	282.4	271.8	265.1	+3.9	+2.5
May.....	309.9	286.0	275.9	+8.4	+3.7
June.....	289.1	266.0	247.0	+8.7	+7.7
July.....	(1)	238.7	226.5	(1)	+5.4
August.....	(1)	261.4	238.0	(1)	+9.8
September.....	(1)	271.9	248.2	(1)	+9.5
October.....	(1)	296.3	265.0	(1)	+11.8
November.....	(1)	292.4	276.4	(1)	+5.8
December.....	(1)	285.4	262.3	(1)	+8.8
Total.....	(1)	3,164.5	2,973.4	(1)	+6.4

¹ Not available.

A breakdown of 1965 newspaper advertising lineage into specific classifications reveals an increase in every category with the exception of general advertising which declined 1.4 percent. The following table shows 1963-65 newspaper advertising lineage, by classification, as supplied by Media Records, Inc., for 52 representative cities:

Newspaper advertising lineage, by classification, 1963-65

[Millions of lines]

Classification	1965	1964	1963	Percent change 1965 from—	
				1964	1963
Retail, including department stores.....	1,776.7	1,673.2	1,611.6	+6.2	+10.2
General.....	288.5	292.5	285.8	-1.4	+0.9
Automotive.....	170.3	159.7	150.6	+6.6	+13.1
Financial.....	63.4	60.9	58.8	+4.1	+7.8
Classified.....	865.6	787.1	749.7	+10.0	+15.5
Total.....	3,164.5	2,973.4	2,856.5	+6.4	+10.8

Outlook

Past predictions for continued growth in both the newspaper publishing and the newsprint producing industries in the United States remain sound. Events, both current and projected, present a picture of healthy and expanding industries. Advertising revenues in the newspaper industry will continue upward, providing the

economy maintains its current growth rate. Newspaper circulation is expected to continue to grow in spite of the demise of some newspapers in cities no longer able to support them. Offsetting these losses are the growth and expansion of both daily and weekly newspapers in suburban markets along with the establishment of a number of new newspapers. These adjustments in the industry pattern may slow circulation growth temporarily since the loss of circulation of a major metropolitan daily takes time to replace through the growth of the remaining or new newspapers.

Key factors affecting newsprint consumption by newspapers are total circulation, format size, and number of pages. These factors are dependent upon population in the service area and advertising volume. Forecast growth in these factor areas indicates that newsprint consumption will continue to increase. Circulation is tied to population and it is estimated that the reading age group, 20 to 64 years, will increase 9.9 million, or 7.9 percent in the period 1965-70. The total number of households will also grow with an increase of 7.8 million in the same 5-year period. Growth of the average size of existing newspapers is indicated by the figures for daily newspapers in the over-100,000-circulation group where the average number of newspaper pages per issue has increased from 22 in 1945 to 50 in 1965, a gain of 127 percent. Comparable figures are not available for newspapers in the under-100,000-circulation group; however, growth in the consumption of newsprint by these papers indicates an even greater percentage increase in pages per issue. Capital expenditures by newspaper publishers for plant expansion and modernization continued to top \$100 million annually for the 10th successive year, with over \$130 million expended in 1965, according to the annual ANPA survey. It is expected that more than \$116 million will be invested in 1966. Included are investments in facilities which provide for increased availability of color reproduction both in quantity and quality.

Technological advancements in the industry include electronic character-recognition units, cathode ray printers, new phototype-setting equipment, high-quality color inks, and computer utilization in all phases of the publishing operation. The installation of web offset presses continues at a rapid pace with more than 250 daily and over one-third of the weekly newspapers now converted to this process from the traditional letterpress operation. Developments underway in duplicate offset platemaking machinery are expected to make offset platemaking competitive with the older stereotype process. Improvements in letterpress equipment have resulted in presses capable of higher speeds, increased precision, and quality of reproduction. All of this indicates that the projected 1968 total U.S. consumption of newsprint—9,700,000 tons—may well be conservative. Analysis of current activity and future demand, therefore, results in projections of total U.S. newsprint consumption reaching 8,950,000 tons in 1966, 9,300,000 tons in 1967, and 9,700,000 tons in 1968.

CANADA

Canadian newsprint production continued its steady upward climb and, during 1965, reached an alltime high of 7,720,000 tons. This was 5.7 percent over the previous high—7,301,000 tons in 1964—which in turn was up 10 percent over 1963. Substantially increased

shipments to the United States (up 8 percent) plus a continued upsurge in domestic consumption (up 7 percent) combined to make the new production record. This record was achieved in the face of a drop in exports to other countries which fell 4 percent below the 1964 figure.

Production capacity at Canadian mills in 1965 rose to 8,421,000 tons—up about 2 percent. Capacity figures failed to reach the projected 8,500,000 tons by less than 1 percent (79,000 tons), the primary cause being an unforeseeable increase in the use of newsprint machine time in the production of other paper grades. Capacity in 1966 is projected to reach 8,906,000 tons. The increase includes an adjustment for production at mills taking advantage of recently authorized Sunday operations in Quebec as the result of recommendations made by a royal commission and approved by the Quebec government effective May 1, 1966. Companies operating at 90 percent of their 6-day capacity may now operate on Sundays. A potential 11 percent capacity increase, using only existing machines, is possible in the affected mills.

In addition, new newsprint mills, new machines in existing mills, and modernization and speedups of existing machines have been announced in every producing region across Canada. The current projections for 1966-68 capacities appear realistic, especially in view of steadily increasing United States, Canadian, and world demand. The early 1966, \$5 per ton, increase in Canadian and United States newsprint prices also will make capacity expansion attractive.

UNITED KINGDOM

After a substantial increase in newsprint consumption in the United Kingdom of 148,000 tons in 1964, apparent consumption remained almost stationary in 1965, rising a modest 14,000 tons (about 1 percent) to 1,590,000 tons. Demand for newsprint is expected to continue its rise from 1,590,000 tons in 1965 to 1,710,000 tons in 1968. This represents an overall increase of approximately 7.5 percent, or 2.5 percent a year.

Newsprint capacity in the United Kingdom rose 47,000 tons during 1965 to 905,000 tons where it is expected to remain through 1968. This increase is due primarily to the more intensive use of existing plant through instituting four work shifts instead of the present three. There are no plans for plant expansion through 1968.

During 1965 newsprint production in the United Kingdom rose 2 percent or 19,000 tons to total 859,000 tons, an increase substantially less than the 14 percent achieved during 1964.

Increased utilization of production capacity and the import surcharge in effect since the fourth quarter of 1964 were factors contributing to a decrease in imported newsprint. However, handicapped by a lack of domestic raw materials, newsprint production in the United Kingdom is not likely to expand. Therefore, in view of the United Kingdom's limited production capacity with respect to total consumption and with no plans for expansion, the steady increases in domestic newsprint consumption through 1968 will be met principally through increased imports. Exports, which dwindled to 2,000 tons in 1965, will continue to play an insignificant role.

NORTHERN EUROPE

Newsprint production in northern Europe (Finland, Norway, and Sweden) increased by 8 percent from 2,266,000 tons in 1964 to 2,427,000 tons in 1965. Of the 161,000 tons of increased production, Finland contributed 149,000 tons, raising her output by 13 percent to 1,388,000 tons. Norway's production rose 6 percent to 341,000 tons, while Sweden's decreased approximately 1 percent to 748,000 tons.

Production capacity in northern Europe is projected to increase from 2,733,000 tons in 1965 to 3,207,000 tons in 1968. This increased production potential will result from a number of factors including modernization of existing machinery, completion of 110,000-ton-capacity mills in both Norway and Finland during 1966, and additions to Finnish and Swedish production capacity through expansion of existing newsprint mills.

During 1965 northern Europe exported 1,959,000 tons of newsprint or about 81 percent of its total newsprint production. In view of the vital role exports play in northern Europe's newsprint industry, maintaining and expanding export markets is essential, especially in the EEC countries which took about 50 percent of 1965 exports. However, expansion of newsprint production may be tempered by competition, especially from Canada, and a trend toward increased domestic production in several of northern Europe's traditional customer countries. The northern Europe countries, and Sweden in particular, have expressed concern over the common external tariff of the European Economic Community. Failure to secure favorable tariffs under the Kennedy Round of GATT negotiations could reduce the possibility of maintaining their share of the EEC market. In view of these factors, a slowdown in the estimated rate of newsprint capacity expansion is indicated and export availability figures through 1968 have been slightly reduced from those shown in the 1965 survey.

With a possible loss of markets in the EEC and EFTA countries, northern Europe, especially Sweden, is looking to increasing exports to the less developed countries. In these areas, they will meet competition from Japan, with New Zealand possibly becoming a factor shortly.

EUROPEAN FREE TRADE ASSOCIATION

(Austria, Denmark, Norway, Portugal, Sweden, Switzerland, and the United Kingdom; Finland, associate member)

Apparent newsprint consumption in the European Free Trade Association countries (EFTA) increased from 2,325,000 tons in 1964 to 2,420,000 tons in 1965, a gain of 4 percent. Finland, Switzerland, and Sweden were the principal contributors to this rise with apparent consumption increasing in these countries 26 percent, 17 percent, and 8 percent, respectively. The consumption increase in the United Kingdom fell below 1 percent. Demand for newsprint in EFTA is projected to rise to 2,619,000 tons in 1968 or approximately 3 percent a year during the period 1966-68.

EFTA is a net exporter of newsprint because production in four of its member countries—Austria, Finland, Norway and Sweden—exceeds domestic demand.

Production of newsprint in EFTA increased 189,000 tons from 3,383,000 tons in 1964 to 3,572,000 tons in 1965. Norway and Fin-

land were the primary contributors to this rise with 168,000 tons of increased production. Switzerland increased her production during 1965 by 20 percent to a total of 132,000 tons.

Newsprint capacity in EFTA is projected to rise modestly from 4,002,000 tons in 1965 to 4,057,000 tons in 1966 with all of the increase coming from the northern European countries. By 1968 capacity is expected to reach 4,476,000 tons, a rise of approximately 4 percent a year. Projected capacity is expected to exceed estimated demand by 71 percent in 1968.

WESTERN EUROPE

Apparent consumption of newsprint in Western Europe rose 49,000 tons to 3,027,000 tons in 1965, an increase of less than 2 percent. This increase, however, must be considered in terms of a reclassification of newsprint by Italy which resulted in elimination of certain grades formerly reported as newsprint. Eliminating 164,000 tons of 1964 production reclassified into other paper grades, apparent consumption in Western Europe in 1965 rose 213,000 tons or almost 8 percent. (See EEC for further explanation.) Exception for Ireland, Italy, and Spain, increases in apparent consumption occurred in all the countries. Demand for newsprint is expected to rise from 3,027,000 tons in 1965 to 3,475,000 tons in 1968, a gain of 16 percent.

Newsprint production, unadjusted for Italy's reclassification (see EEC) fell 89,000 tons in 1965; however, on an adjusted basis, production rose 76,000 tons. Increases in newsprint production occurred in most Western European countries. Minor decreases were reported for Austria, Ireland, and Portugal.

Western Europe newsprint production capacity is expected to increase approximately 10 percent from 1965 to 1968. This rise from a capacity of 2,350,000 tons in 1965 to 2,584,000 tons in 1968 is expected to come primarily from the EEC countries where an increase of 144,000 tons is anticipated. Large percentage increases in capacity are also anticipated in Spain and Yugoslavia; however, the tonnage involved will be relatively small and will not have any substantial effect on total Western Europe newsprint capacity.

EUROPEAN ECONOMIC COMMUNITY

(Belgium, France, Italy, Luxembourg, Netherlands, and Federal Republic of Germany)

Apparent newsprint consumption in the European Economic Community (EEC) during 1965 was 2,360,000 tons compared with 2,361,000 tons during 1964. These figures, however, are not comparable in that it has now been reported that the 1964 figure for Italian newsprint consumption included 164,000 tons of "paper for periodicals," a category which has been eliminated from the 1965 figure. Thus, on an adjusted 1964 basis (2,361,000 tons less 164,000 tons), newsprint consumption in the Community in 1965 actually rose 163,000 tons, a gain of 7 percent. Except for Italy where apparent consumption on an adjusted basis dropped 16,000 tons, all the EEC countries showed gains ranging from 10,000 tons in Belgium-Luxembourg to 80,000 tons in France. The Netherlands posted the largest percentage gain in increased consumption with 28,000 tons, a rise of over 12 percent.

Demand for newsprint in the Community is expected to rise from 2,360,000 tons in 1965 to 2,689,000 tons in 1968, a gain of 14 percent for the period.

Newsprint production in the Community during 1965 was 1,545,000 tons compared with 1,665,000 tons reported in 1964. On an adjusted basis reflecting Italy's new category, 1964 production was 1,500,000 tons. Thus, the 1965 production increase in the EEC totals 3 percent. All countries except one showed gains ranging from 19,000 tons in Italy (adjusted) to 8,000 tons in France. Belgium-Luxembourg showed an 11,000-ton decline, a 10-percent decrease which was due primarily to the increased production of quality papers at the expense of newsprint production.

Imports to the Community during 1965 rose 57,000 tons to 886,000 tons. West Germany remains the major importer of newsprint with 584,000 tons followed by France with 168,000 tons. Exports from the Community continue to play a lessening role except for Italy where newsprint exports nearly tripled as producers sought foreign markets to absorb that country's overcapacity. Efforts are being made to convert some Italian mills to the production of stationery and higher quality paper.

During 1965, newsprint capacity in the Community fell 220,000 tons based on previously reported 1964 data. Adjusting for Italy's reclassification of newsprint, production capacity in the EEC actually rose 28,000 tons, with the most substantial increase occurring in West Germany where a rise of 17,000 tons was recorded. Projected capacity in the Community through 1968 is expected to rise 144,000 tons or somewhat less than 3 percent a year.

LATIN AMERICA

During 1965, apparent consumption of newsprint in Latin America rose 87,000 tons to 892,000 tons, an 11-percent increase compared with the 34,000-ton, 4-percent increase in 1964. This unanticipated rise in consumption resulted largely from substantial increases in demand in Argentina and Mexico, 27 percent and 31 percent, respectively. These increased newsprint requirements were met through sharp increases in imports as production in both countries fell off slightly.

Latin American demand for newsprint is expected to rise from 892,000 tons in 1965 to 1,023,000 tons in 1968, approximately 5 percent a year. The rise, which is forecast on normal growth demand, is expected to be broadly spread among the countries. These demands will be met primarily through increased utilization of existing capacity supplemented by further increases in imports.

Production during 1965 fell in Argentina, Brazil, and Mexico. The drop appears due to use of machine time for production of more profitable, superior-quality paper. Newsprint production in Chile, however, surged 28,000 tons to 110,000 tons reflecting the opening of a new newsprint mill in 1965. Chile is expected to be self-sufficient in newsprint in 1967. Her exports, principally to other Latin American countries, are rapidly increasing. Plans are underway to further expand with two new newsprint mills scheduled in Chile, but these will not begin production before 1969-70. Production capacity for

Latin America as a whole is expected to rise only modestly from 355,000 tons in 1965 to 361,000 tons during 1966-68 and major reliance will continue to be on imports which should rise 67,000 tons during the 3-year period or about 10 percent.

AFRICA

Apparent newsprint consumption in Africa increased from 194,000 tons in 1964 to 197,000 tons in 1965, a rise of 1.5 percent. Of the major consumers, the Republic of South Africa showed the only sizable increase in newsprint consumption, with the United Arab Republic remaining unchanged, and Ghana and Algeria showing decreases. Despite the vast potential Africa represents as a newsprint consumer, demand is projected to rise at a modest 3.5 percent a year to 220,000 tons in 1968. Revolution of economic and political difficulties on that continent will eventually result in large-scale consumption increases and also new production capacity.

Presently, only two countries in Africa are producing newsprint: Rhodesia and South Africa. During 1965, South Africa newsprint production increased 28,000 tons to 62,000, a 55-percent rise. This increase resulted mainly from the commencement of operations of a new mill on the Tugela River. It is expected that all of South Africa's newsprint needs will be met by 1967 through the added production from this mill. Newsprint capacity in Africa will increase from 71,000 tons in 1965 to 89,000 tons in 1966, primarily as a result of this new mill. Through 1967-68, capacity increases are projected at 26,000 tons. The insignificant production capacity of 6,000 tons of newsprint in Rhodesia may be devoted to higher grade papers with that country turning to newsprint imports to satisfy its small needs.

ASIA

During 1965 apparent newsprint consumption in Asia (excluding mainland China and North Korea) dropped from 1,857,000 tons in 1964 to 1,824,000 tons, a decrease of almost 2 percent. This followed an unprecedented 213,000-ton, or 13-percent, increase in 1964. Decreases of varying amounts were recorded in Burma, Cambodia, Hong Kong, India, Indonesia, and South Korea. Also, Japan recorded a 24,000-ton decrease which apparently resulted from termination of the large but temporary demand created by the 1964 Olympic games at Tokyo. Several countries showed increases in newsprint consumption, with Taiwan showing the most significant percentage gain from 9,000 tons in 1964 to 17,000 tons in 1965, or 89 percent.

Demand for newsprint in Asia is projected to rise 416,000 tons from 1,824,000 tons in 1965 to 2,240,000 tons in 1968, a gain of approximately 8 percent a year.

Newsprint production in Asia is dominated by Japan which produced 1,305,000 tons of the 1,480,000 tons total produced during 1965. The remaining 177,000 tons were produced by Cambodia, India, Israel, South Korea, Pakistan, Taiwan, and Turkey. With export availability varying from 8,000 tons in 1965 to 281,000 tons in 1968, Japan will become a serious competitor in world newsprint markets, especially in Asia and Africa.

AUSTRALIA-NEW ZEALAND

Apparent newsprint consumption in Australia and New Zealand rose from 501,000 tons in 1964 to 529,000 tons in 1965. This 28,000-ton increase represents a 6-percent gain during 1965 compared with a 12-percent rise during the previous year. Of this increase, 15,000 tons were used in New Zealand, representing a substantial 17-percent rise. However, it is not expected that newsprint consumption there will continue at such an accelerated rate. Demand for newsprint in both countries is expected to rise modestly from the 529,000 tons in 1965 to 571,000 tons in 1968 or about 3 percent a year.

Newsprint production in Australia and New Zealand was up 15,000 tons from 309,000 tons in 1964 to 324,000 tons in 1965. Of the 15,000-ton increase, 13,000 came from New Zealand which produced 219,000 tons during 1965.

Newsprint production potential for New Zealand remained unchanged at 224,000 tons where it is expected to remain for 1966. Australia, however, raised its production potential in 1965 by 2,000 tons to 105,000 tons, primarily through improvements on existing newsprint machines. Australia does anticipate installing a new 70,000-ton newsprint machine, but production would not begin for 3 years. During 1967-68, New Zealand will increase its newsprint production potential by 22,000 tons through increased capacity planned by its one newsprint firm. While New Zealand is a net exporter, Australia will continue to be a net importer. Most of the 147,000 tons of New Zealand newsprint available for export is expected to go to Australia. However, there are indications that possible long-term newsprint expansion plans in New Zealand may be directed toward penetration of Asian markets.

MAINLAND CHINA, U.S.S.R., AND COMMUNIST-BLOC COUNTRIES

As in previous years, the data in this report covering the Sino-Soviet bloc are, for the most part, estimated due to the general lack of accurate, published figures. The reliability of available information on Soviet and other individual country newsprint production is uncertain. However, plans announced for at least five new newsprint mills and increased production capacity at other mills in the U.S.S.R. appear to be materializing.

In the past, Soviet and other bloc country production performance has fallen significantly short of stated planning goals. However, public announcement has been made that firm orders have been placed for paper machines by the U.S.S.R., and that new mill complexes are under construction. Mainland China and North Korea data, based on Hong Kong government trade statistics, seem conservative.

Throughout the Sino-Soviet-bloc countries there are indications that production continues to lag behind expectations due to lack of spare machine parts and an adequate supply of trained technicians. Achievement of quality production is a continuing problem.

Estimated Sino-Soviet-bloc production rose 32 percent or 335,000 tons in 1965, an unexpectedly large increase. Apparent consumption also increased 32 percent from 945,000 tons in 1964 to 1,251,000 tons in 1965. The U.S.S.R. and associated Communist countries ac-

counted for 95 percent of the production increase and 94 percent of the increased consumption. Imports of newsprint to bloc countries nearly tripled to 111,000 tons, while exports increased 100,000 tons.

Ambitious U.S.S.R. capacity expansion plans will play the major role in expansion of the Soviet-bloc potential newsprint capacity to an estimated total of 2,057,000 tons in 1968. This figure represents an increase of 455,000 tons over the estimated 1965 production capacity and 1,117,000 tons over the estimated 1964 potential. With estimated future consumption advancing at a much slower rate, the availability of newsprint for export from the U.S.S.R. and associated countries by 1968 could increase to 835,000 tons. While Soviet and Chinese intentions are ambitious, the data are based on assumption of a reasonable degree of success for their plans. In view of the uncertainties, the projections are subject to possibilities of substantial variation.

TABLE 1.—*Newsprint—World apparent consumption, actual production, imports, and exports, 1962-65*

[Thousand short tons]

Region	1962				1963			
	Apparent consumption	Production	Imports ¹	Exports ¹	Apparent consumption	Production	Imports ¹	Exports ¹
World, total.....	² 16,936	³ 16,016	8,467	8,380	² 16,656	³ 16,496	8,571	8,491
United States.....	⁴ 7,456	³ 2,105	5,478	109	⁴ 7,577	³ 2,213	5,413	118
Canada.....	⁴ 511	6,691	-----	6,169	⁵ 523	6,630	-----	6,099
Northern Europe.....	⁶ 337	1,971	-----	1,610	⁶ 387	2,074	-----	1,683
United Kingdom.....	1,434	734	727	27	1,428	734	720	26
Western Europe, other.....	⁷ 2,721	1,961	950	208	⁷ 2,823	2,013	1,004	214
Latin America ⁸	⁹ 766	189	586	22	⁹ 771	224	583	33
Africa.....	174	39	135	-----	189	44	145	-----
Asia.....	¹⁰ 1,447	1,184	323	23	¹⁰ 1,644	1,281	387	23
Australia and New Zealand.....	¹¹ 390	226	218	46	¹¹ 448	291	269	119
China, U.S.S.R., and Communist countries (estimated) ¹²	800	916	50	166	866	992	50	176

Region	1964				1965			
	Apparent consumption	Production	Imports ¹	Exports ¹	Apparent consumption	Production	Imports ¹	Exports ¹
World, total.....	² 17,911	³ 17,860	9,381	9,298	² 18,728	18,622	9,943	9,888
United States.....	⁴ 8,092	³ 2,296	5,954	118	⁴ 8,359	2,907	6,323	84
Canada.....	⁵ 550	7,301	-----	6,759	⁵ 591	7,720	-----	7,157
Northern Europe.....	413	2,266	-----	1,853	468	2,427	-----	1,959
United Kingdom.....	1,576	840	754	18	1,590	859	733	2
Western Europe, other.....	2,978	2,078	1,114	214	3,027	1,989	1,265	227
Latin America ⁸	805	261	583	39	892	269	689	66
Africa.....	194	39	155	-----	197	68	129	-----
Asia.....	1,857	1,418	462	23	1,824	1,482	365	23
Australia and New Zealand.....	501	309	319	127	529	324	328	123
China, U.S.S.R., and Communist countries (estimated) ¹²	945	1,052	40	147	1,251	1,387	111	247

¹ The regional import and export totals shown are a summation of individual country transactions and do not necessarily represent imports into or exports from a particular region.

² Adjusted for inventory change: 1962 plus 103; 1963 minus 80; 1964 plus 32; 1965 minus 51.

³ Revised.

⁴ Adjusted for inventory change: 1962 plus 18; 1963 minus 69; 1964 plus 40; 1965 minus 23.

⁵ Adjusted for inventory change: 1962 plus 11; 1963 plus 8; 1964 minus 8; 1965 minus 28.

⁶ Adjusted for inventory change: 1962 plus 24; 1963 plus 4.

⁷ Adjusted for inventory change: 1962 plus 18; 1963 minus 20.

⁸ Includes South America, Central America, and Caribbean Sea area.

⁹ Adjusted for inventory change: 1962 minus 13; 1963 plus 3.

¹⁰ Adjusted for inventory change: 1962 plus 37; 1963 plus 1.

¹¹ Adjusted for inventory change: 1962 plus 8; 1963 minus 7.

¹² Does not include Republic of China (Taiwan), Yugoslavia, or Cuba.

TABLE 2.—*Newsprint—World production potential (maximum production capacity) and actual production, by country and region, 1964-65*

[Thousand short tons]

Region and country	1964		1965	
	Production potential	Actual production	Production potential	Actual production
World, total.....	19,958	¹ 17,860	21,243	18,622
United States.....	2,352	¹ 2,296	2,377	2,097
Canada.....	8,275	7,301	8,421	7,720
Northern Europe, total.....	2,672	2,266	2,733	2,427
Finland.....	1,510	1,189	1,532	1,338
Norway.....	391	322	430	341
Sweden.....	771	755	771	748
United Kingdom.....	858	840	905	859
Western Europe, total.....	2,481	2,078	2,350	1,989
Austria.....	176	149	176	143
Belgium-Luxembourg.....	132	108	132	97
France.....	832	748	831	756
Germany, West.....	225	222	242	238
Ireland.....	13	12	15	13
Italy.....	² 650	² 418	408	272
Netherlands.....	176	169	182	182
Portugal.....	22	18	23	11
Spain.....	73	73	115	94
Switzerland.....	127	110	165	132
Yugoslavia.....	55	51	61	51
Latin America, total ³	341	261	361	269
Argentina.....	22	13	22	5
Brazil.....	132	127	132	121
Chile.....	143	82	149	110
Cuba.....	11	10	10	10
Mexico.....	33	29	48	23
Africa, total.....	52	39	71	68
Rhodesia.....	7	5	9	6
South Africa, Republic of.....	45	34	62	62
Asia, total.....	1,500	1,418	1,921	1,482
Cambodia.....	2	2	2	2
India.....	34	34	34	34
Israel.....	10	6	9	9
Japan.....	1,316	1,253	1,723	1,305
Pakistan.....	38	38	34	41
Korea, South.....	57	47	63	50
Taiwan (Formosa).....	15	14	19	19
Turkey.....	28	24	28	22
Australia-New Zealand, total.....	327	309	329	324
Australia.....	103	103	105	105
New Zealand.....	224	206	224	219
China, U.S.S.R., and Communist countries ⁴	1,100	1,052	⁵ 1,775	1,387
China and North Korea.....	160	155	173	173
U.S.S.R. and Communist countries.....	940	897	1,602	1,214

¹ Revised.² Past figures included paper for periodicals as well as for newsprint.³ Includes South America, Central America, and Caribbean Sea area.⁴ Does not include Republic of China (Taiwan), Yugoslavia, or Cuba.⁵ Includes 500,000 tons new potential capacity.

TABLE 3.—*Newsprint—World estimated demand, production, potential imports, and export availability, 1966–1968; apparent consumption and production potential (maximum production capacity), 1965*

[Thousand short tons]

Region	1965 ¹	1966	1967	1968
World, total:				
Demand.....	18,728	19,803	20,678	21,644
Production potential.....	21,243	22,186	23,314	24,675
Indicated surplus.....	2,516	2,383	2,636	3,031
United States:				
Demand.....	8,359	8,950	9,300	9,700
Production potential.....	2,377	2,563	2,900	3,299
Imports.....	(2)	6,705	6,745	6,761
Export availability.....	(2)	318	345	360
Canada:				
Demand.....	591	625	635	659
Production potential.....	8,421	8,906	9,171	9,531
Export availability.....	(2)	8,281	8,536	8,872
Northern Europe:				
Demand.....	468	483	499	514
Production potential.....	2,733	2,788	2,920	3,207
Export availability.....	(2)	2,305	2,421	2,693
United Kingdom:				
Demand.....	1,590	1,644	1,677	1,710
Production potential.....	905	905	905	905
Imports.....	(2)	754	777	808
Export availability.....	(2)	15	5	3
Western Europe, other:				
Demand.....	3,027	3,170	3,323	3,475
Production potential.....	2,350	2,451	2,532	2,584
Imports.....	(2)	1,297	1,336	1,382
Export availability.....	(2)	578	545	491
Latin America: ²				
Demand.....	892	953	984	1,023
Production potential.....	361	361	361	361
Imports.....	(2)	693	720	756
Export availability.....	(2)	101	97	94
Africa:				
Demand.....	197	208	214	220
Production potential.....	71	89	112	115
Imports.....	(2)	119	102	105
Asia:				
Demand.....	1,824	1,900	2,060	2,240
Production potential.....	1,921	1,980	1,996	2,036
Imports.....	(2)	412	463	502
Export availability.....	(2)	492	399	298
Australia and New Zealand:				
Demand.....	529	542	557	571
Production potential.....	329	329	340	351
Imports.....	(2)	341	354	368
Export availability.....	(2)	128	137	1,618
China, U.S.S.R., and Communist countries: ⁴				
Demand.....	1,251	1,328	1,429	1,532
Production potential.....	1,775	1,814	2,077	2,286
Imports.....	(2)	108	107	106
Export availability.....	(2)	594	755	860

¹ For 1965, estimated demand represents apparent consumption.² Not applicable.³ Includes South America, Central America, and Caribbean Sea area.⁴ Does not include Republic of China (Taiwan), Yugoslavia, and Cuba.

TABLE 4.—*Newsprint—U.S. imports by country of origin, 1961-65*

[Short tons]

Country	1961	1962	1963	1964	1965
Total.....	5,432,832	5,477,510	5,412,665	5,954,436	6,322,617
Canada.....	5,278,180	5,291,573	5,223,679	5,693,760	6,067,933
Northern Europe, total.....	154,096	184,387	187,804	260,298	254,366
Finland.....	150,105	183,399	186,553	257,371	254,366
Sweden.....	3,991	988	1,251	2,039	—
Norway.....	—	—	—	888	—
United Kingdom.....	—	—	381	—	—
Western Europe, total.....	356	1,161	471	—	69
France.....	9	525	—	—	69
Italy.....	—	369	471	—	—
Netherlands.....	39	—	—	—	—
Switzerland.....	308	267	—	—	—
Latin America, total.....	—	107	—	272	129
Guiana.....	—	—	—	69	—
Dominican Republic.....	—	—	—	203	—
Mexico.....	—	107	—	—	38
Chile.....	—	—	—	—	91
Japan.....	—	—	11	62	—
New Zealand.....	—	5	—	16	—
Poland.....	200	277	319	28	—
Republic of South Africa.....	—	—	—	—	120

Source: Bureau of the Census.

TABLE 5.—*Newsprint—U.S. exports by country of destination, 1961-65*

[Thousand short tons]

Country	1961	1962	1963	1964	1965
World, total.....	182	109	118	118	84
Canada.....	1	7	2	2	1
Western Europe, total.....	30	9	8	5	4
France.....		2	2	2	1
Greece.....	2		1		
Italy.....	6		1	3	2
Netherlands.....	2		1		1
Portugal.....	3				
Spain.....	2	5	3		
Switzerland.....	1				
Yugoslavia.....	15	1			
Other.....	1	1			
Latin America, total ¹	74	64	86	67	51
Argentina.....	14	4	20	17	1
Brazil.....	3		5	2	
Colombia.....	8	7	2	3	1
El Salvador.....		1	1	1	1
Ecuador.....	2	2	2	1	
Guatemala.....	2	2	2	3	3
Honduras.....	1		1	1	1
Mexico.....	15	15	22	12	27
Nicaragua.....	1	1	1		
Panama.....				1	
Peru.....	8	7	10	12	7
Uruguay.....	3			2	1
Venezuela.....	14	23	20	11	8
Other.....	2	2		1	1
Asia, total.....	65	26	20	33	20
Hong Kong.....			1	1	1
Indonesia.....	2				
India.....	14				
Japan.....				9	
Korea, South.....	5	1		5	2
Philippines.....	33	20	15	10	9
Turkey.....	7				
Vietnam, South.....	3	3	4	8	8
Other.....	1	2			
Africa, total.....	13	3	1	10	3
United Arab Republic.....	13	2	1	10	3
Other.....		1			
Australia.....	1		1	2	5

¹ Includes South America, Central America, and Caribbean Sea area.

NOTE.—Detail may not add to total because of independent rounding.

Source: Bureau of the Census.

TABLE 6.—*Newsprint—United Kingdom apparent consumption, actual production, imports, and exports, 1965; estimated demand, production potential, imports and export availability, 1966-68*

[Thousand short tons]

	1965	1966	1967	1968
Apparent consumption.....	1,590	(1)	(1)	(1)
Production.....	859			
Imports.....	733			
Exports.....	2			
Demand.....	(1)	1,644	1,677	1,710
Production potential.....		905	905	905
Imports.....		754	777	808
Export availability.....		15	5	3

¹ Not applicable.TABLE 7.—*Newsprint—Northern Europe apparent consumption, actual production and exports, 1965; estimated demand, production potential, and export availability, 1966-68*

[Thousand short tons]

Item	Total, Northern Europe	Finland	Norway	Sweden
<i>1965</i>				
Production.....	2,427	1,338	341	748
Apparent consumption.....	468	125	69	274
Exports.....	1,959	1,213	272	474
<i>1966</i>				
Production potential.....	2,789	1,543	452	793
Estimated demand.....	483	126	71	286
Export availability.....	2,305	1,417	381	507
<i>1967</i>				
Production potential.....	2,920	1,565	529	826
Estimated demand.....	499	128	73	298
Export availability.....	2,421	1,437	456	528
<i>1968</i>				
Production potential.....	3,207	1,587	551	1,069
Estimated demand.....	514	130	75	309
Export availability.....	2,693	1,457	476	760

TABLE 8.—*Newsprint—European Economic Community and European Free Trade Association apparent consumption, actual production, imports and exports, 1965; estimated demand, production potential, imports, and export availability, 1966–68*

[Thousand short tons]

Country	1965				1966			
	Apparent consumption	Production	Imports ¹	Exports ¹	Demand	Production potential	Imports	Export availability
European Economic Community, total.....	2,360	1,545	965	150	2,466	1,857	979	370
Belgium-Luxembourg.....	146	97	84	35	152	132	91	71
France.....	915	756	169	10	961	876	141	66
Germany, West.....	814	238	584	8	846	248	606	8
Italy.....	230	272	14	56	242	408	15	181
Netherlands.....	255	182	114	41	275	193	126	44
European Free Trade Association, total.....	2,420	3,572	886	2,038	2,498	4,057	915	2,474
Austria.....	67	143	—	76	69	176	—	107
Denmark.....	120	—	128	—	134	—	134	—
Finland.....	125	1,338	—	1,213	126	1,543	—	1,417
Norway.....	69	341	—	272	71	452	—	381
Portugal.....	33	11	23	1	34	23	24	13
Sweden.....	274	748	—	474	286	793	—	507
Switzerland.....	184	132	2	—	134	165	3	34
United Kingdom.....	1,590	859	733	2	1,644	905	754	15

Country	1967				1968			
	Demand	Production potential	Imports	Export availability	Demand	Production potential	Imports	Export availability
European Economic Community, total.....	2,575	1,898	1,010	333	2,689	1,939	1,046	296
Belgium-Luxembourg.....	159	132	98	71	165	132	104	71
France.....	1,001	912	138	49	1,051	947	138	34
Germany, West.....	879	259	628	8	914	270	652	8
Italy.....	250	397	15	162	260	386	15	141
Netherlands.....	286	198	131	43	299	204	137	42
European Free Trade Association, total.....	2,562	4,189	943	2,570	2,619	4,476	982	2,839
Austria.....	71	176	-----	105	73	176	-----	103
Denmark.....	140	-----	140	-----	147	-----	147	-----
Finland.....	128	1,565	-----	1,437	130	1,587	-----	1,457
Norway.....	73	529	-----	456	75	551	-----	476
Portugal.....	35	23	26	14	35	23	27	15
Sweden.....	298	826	-----	528	309	1,069	-----	760
Switzerland.....	140	165	-----	25	140	165	-----	25
United Kingdom.....	1,677	905	777	5	1,710	905	808	3

¹ See footnote 1, table 1.

TABLE 9.—*Newsprint.—Western Europe apparent consumption, actual production, imports, and exports, 1965; estimated demand, production potential, imports, and export availability, 1966-68*

[Thousand short tons]

Country	1965				1966			
	Apparent consumption	Production	Imports ¹	Exports ¹	Demand	Production potential	Imports	Export availability
Western European countries, total	3, 027	1, 989	1, 265	227	3, 170	2, 451	1, 297	578
Austria	67	143	—	76	69	176	—	107
Belgium-Luxembourg	146	97	84	35	152	132	91	71
Denmark	128	—	128	—	134	—	134	—
France	915	756	169	10	951	876	141	66
Germany, West	814	238	584	8	846	248	606	8
Greece	46	—	46	—	52	—	52	—
Ireland	51	13	38	—	56	16	41	1
Italy	230	272	14	56	242	408	15	181
Netherlands	255	182	114	41	275	193	126	44
Portugal	33	11	23	1	34	23	24	13
Spain	139	94	45	—	151	148	45	42
Switzerland	134	132	2	—	134	165	3	34
Yugoslavia	64	51	13	—	68	66	13	11
Other European countries	5	—	5	—	6	—	6	—

Country	1967				1968			
	Demand	Production potential	Imports	Export availability	Demand	Production potential	Imports	Export availability
Western European countries, total.....	3,323	2,532	1,336	545	3,475	2,584	1,382	491
Austria.....	71	176	-----	105	73	176	-----	103
Belgium-Luxembourg.....	159	132	98	71	165	132	104	71
Denmark.....	140	-----	140	-----	147	-----	147	-----
France.....	1,001	912	138	49	1,051	947	138	34
Germany, West.....	879	259	628	8	914	270	652	8
Greece.....	56	-----	56	-----	61	-----	61	-----
Ireland.....	57	17	41	1	58	17	41	-----
Italy.....	250	397	15	162	260	386	15	141
Netherlands.....	286	198	131	43	299	204	137	42
Portugal.....	35	23	26	14	35	23	27	15
Spain.....	165	181	45	61	182	187	44	49
Switzerland.....	140	165	-----	25	140	165	-----	25
Yugoslavia.....	78	972	12	6	83	77	9	3
Other European countries.....	6	-----	6	-----	7	-----	7	-----

¹ See footnote 1, table 1.

TABLE 10.—*Newsprint—Latin American apparent consumption, actual production, and imports, 1965; estimated demand, production potential, and imports, 1966–68*

[Thousand short tons]

Country	1965			1966			1967			1968		
	Apparent consumption	Production	Imports ¹	Demand	Production potential	Imports	Demand	Production potential	Imports	Demand	Production potential	Imports
Latin America, total ²	892	269	689	953	361	693	984	361	720	1,023	361	756
Argentina.....	248	5	243	253	22	231	264	22	242	278	22	256
Bolivia.....	4		4	4		4	4		4	4		4
Brazil.....	181	121	60	220	132	88	220	132	88	220	132	88
Chile.....	44	110	³ (66)	48	149	⁴ (101)	52	149	⁴ (97)	55	149	⁴ (94)
Colombia.....	50		50	53		53	56		56	60		60
Costa Rica.....	7		7	8		8	8		8	9		9
Cuba.....	25	10	15	27	10	17	27	10	17	29	10	19
Ecuador.....	11		11	11		11	11		11	12		12
El Salvador.....	10		10	10		10	10		10	11		11
Guatemala.....	6		6	6		6	7		7	7		7
Jamaica.....	8		8	8		8	9		9	9		9
Mexico.....	172	23	149	172	48	124	177	48	129	182	48	134
Panama.....	4		4	4		4	4		4	4		4
Peru.....	45		45	46		46	48		48	51		51
Trinidad and Tobago.....	5		5	5		5	5		5	6		6
Uruguay.....	21		21	23		23	24		24	25		25
Venezuela.....	45		45	48		48	51		51	54		54
Other Latin American countries.....	6		6	7		7	7		7	7		7

¹ See footnote 1, table 1.² Includes South America, Central America, and Caribbean Sea area.³ Net exports.⁴ Represents export availability.

TABLE 11.—*Newsprint—Africa apparent consumption, actual production, and imports, 1965; estimated demand, production potential, and imports, 1966–68*

[Thousand short tons]

Country	1965			1966			1967			1968		
	Apparent consumption	Production	Imports	Demand	Production potential	Imports	Demand	Production potential	Imports	Demand	Production potential	Imports
Africa, total.....	197	68	129	208	89	119	214	112	102	220	115	105
Algeria.....	4	-----	4	4	-----	4	4	-----	4	5	-----	5
United Arab Republic.....	45	-----	45	51	-----	51	53	-----	53	55	-----	55
Ghana.....	10	-----	10	11	-----	11	11	-----	11	11	-----	11
Kenya.....	3	-----	3	4	-----	4	4	-----	4	4	-----	4
Morocco.....	2	-----	2	3	-----	3	3	-----	3	3	-----	3
Nigeria.....	6	-----	6	6	-----	6	7	-----	7	7	-----	7
Rhodesia.....	6	6	-----	7	-----	7	7	-----	7	7	-----	7
South Africa, Republic of.....	109	62	47	110	89	21	112	112	-----	115	115	-----
Other African countries.....	12	-----	12	12	-----	12	13	-----	13	13	-----	13

TABLE 12.—*Newsprint—Asia (except Communist China and North Korea) apparent consumption, actual production, imports and exports, 1965; estimated demand, production potential, imports, and export availability, 1966–68*

[Thousand short tons]

Country	1965				1966			
	Apparent consumption	Production	Imports ¹	Exports ¹	Demand	Production potential	Imports	Export availability
Asia, total	1,824	1,482	365	23	1,900	1,980	412	492
Burma	9	—	9	—	8	—	8	—
Cambodia	4	2	2	—	4	2	2	—
Ceylon	14	—	14	—	14	—	14	—
Hong Kong	38	—	38	—	39	—	39	—
India	130	34	96	—	151	34	117	—
Indonesia	21	—	21	—	28	—	28	—
Iran	9	—	9	—	10	—	10	—
Israel	18	9	9	—	20	10	10	—
Japan	1,309	1,305	12	8	1,328	1,776	16	464
Korea, South	52	50	2	—	62	63	2	3
Lebanon	6	—	6	—	7	—	7	—
Malaysia	14	—	14	—	15	—	15	—
Pakistan	29	41	—	12	31	47	—	16
Philippines	50	—	50	—	55	—	55	—
Singapore	13	—	14	1	14	—	15	1
Taiwan (Formosa)	17	19	—	2	18	20	—	2
Thailand	27	—	27	—	28	—	28	—
Turkey	47	22	25	—	50	28	28	6
Vietnam, South	11	—	11	—	11	—	11	—
Other Asian countries	6	—	6	—	7	—	7	—

Country	1967				1968			
	Demand	Production potential	Imports	Export availability	Demand	Production potential	Imports	Export availability
Asia, total	2, 060	1, 996	463	399	2, 240	2, 036	502	298
Burma	9		9		8		8	
Cambodia	4	2	2		4	2	2	
Ceylon	15		15		15		15	
Hong Kong	40		40		41		41	
India	185	45	140		230	62	168	
Indonesia	33		33		39		39	
Iran	11		11		12		12	
Israel	22	14	8		24	13	11	
Japan	1, 416	1, 776	16	376	1, 511	1, 776	16	281
Korea, South	66	63	6	3	72	65	9	2
Lebanon	8		8		8		8	
Malaysia	17		17		18		18	
Pakistan	35	47		12	39	47		8
Philippines	61		61		66		66	
Singapore	16		17	1	17		18	1
Taiwan (Formosa)	18	21		3	19	21		2
Thailand	29		29		30		8	
Turkey	57	28	33	4	68	28	44	4
Vietnam, South	11		11		11		11	
Other Asian countries	7		7		8		8	

¹ See footnote 1, table 1.

TABLE 13.—*Newsprint—Australia-New Zealand apparent consumption, actual production, imports, and exports, 1965; estimated demand, production potential, imports, and export availability, 1966-68*

[Thousand short tons]

Item	Total Australia- New Zealand	Australia	New Zealand
<i>1965</i>			
Apparent consumption.....	529	428	101
Production.....	324	105	219
Imports.....	1 328	324	4
Exports.....	1 123	1	122
<i>1966</i>			
Demand.....	452	441	101
Production potential.....	329	105	224
Imports.....	341	337	4
Export availability.....	128	1	127
<i>1967</i>			
Demand.....	557	454	103
Production potential.....	340	105	235
Imports.....	354	350	4
Export availability.....	137	1	136
<i>1968</i>			
Demand.....	571	468	103
Production potential.....	351	105	246
Imports.....	368	364	4
Export availability.....	148	1	147

¹ See footnote 1, table 1.TABLE 14.—*Newsprint—China, U.S.S.R., and Communist countries,¹ estimated consumption, production, imports, and exports, 1965-68*

[Thousand short tons]

Item	1965	1966	1967	1968
Consumption, total.....	1, 251	1, 328	1, 429	1, 532
China and North Korea.....	152	168	187	205
U.S.S.R. and Communist countries.....	1, 099	1, 160	1, 242	1, 327
Product on, total.....	1, 387	1, 814	2, 077	2, 286
China and North Korea.....	173	189	208	229
U.S.S.R. and Communist countries.....	1, 214	1, 625	1, 869	2, 057
Imports, total.....	111	108	107	106
China and North Korea.....	1	1	1	1
U.S.S.R. and Communist countries.....	110	107	106	105
Exports, total.....	247	594	755	860
China and North Korea.....	22	22	22	25
U.S.S.R. and Communist countries.....	225	572	733	835

¹ Does not include Republic of China (Taiwan), Yugoslavia, or Cuba.

TABLE 15.—*Newsprint—World apparent consumption compared with annual 1-year projections, 1961-65*

[Thousand short tons]

Year	Apparent consumption	Projected demand	Variance percent
1961.....	15,730	15,806	+2.8
1962.....	16,008	16,499	-.5
1963.....	16,597	16,736	-3.0
1964.....	17,849	17,572	+1.6
1965.....	18,727	18,752	-.0

○

